COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DUKE ENERGY KENTUCKY,) CASE NO. INC. FOR THE ANNUAL COST RECOVERY) 2012-00495 FILING FOR DEMAND SIDE MANAGEMENT)

ORDER

On November 15, 2012, Duke Energy Kentucky, Inc. ("Duke Kentucky") filed its annual Demand-Side Management ("DSM") status report. In addition to filing the status report, Duke Kentucky requests a modification of its DSM riders to reflect the reconciliation of planned and actual expenditures, lost revenues, and shared savings. Duke Kentucky proposes that its proposed rates become effective December 15, 2012.

Based on a review of the application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that the investigation cannot be completed by December 15, 2012. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for five months.

IT IS HEREBY ORDERED that Duke Kentucky's proposed rates, which are to be effective on December 15, 2012, are suspended for five months, up to and including May 14, 2013.

By the Commission

ENTERED

DEC 0 5 2012

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

Kristen Cocanougher Duke Energy Kentucky, Inc. 139 East 4th Street, R. 25 At II P. O. Box 960 Cincinnati, OH 45201